

February 27, 2026

Subject : Management's Discussion and Analysis for year ended December 31, 2025,  
Changing in operation results was over 20 percent.

Attn : The President  
The Stock Exchange of Thailand

Siam Steel International Public Company Limited has submitted the consolidated financial statements of the year ended December 31, 2025. It is noted that the change in net profit (loss) was over than 20 percent compared with the previous year. The Company would explain in the Management's Discussion and Analysis for the year ended December 31, 2025 as follows:

## 1. Operating Results

Consolidated Statements of Comprehensive Income for the year ended December 31, 2025 and 2024

Consolidated Financial Statements	For year ended December 31, 2025		For year ended December 31, 2024		Change	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales and services	1,388	100%	1,595	82%	(207)	(13%)
Construction services	0	0%	360	18%	(360)	(100%)
<b>Total Revenues</b>	<b>1,388</b>	<b>100%</b>	<b>1,955</b>	<b>100%</b>	<b>(567)</b>	<b>(29%)</b>
Costs of sales and services	1,131		1,347		(216)	(16%)
Costs of Construction services	0		391		(391)	(100%)
<b>Total Costs of Sales and Services</b>	<b>1,131</b>	<b>81%</b>	<b>1,738</b>	<b>89%</b>	<b>(607)</b>	<b>(35%)</b>
Sales and services gross profit	257		248		9	4%
Construction services gross profit	0		(31)		31	100%
<b>Total Gross Profit</b>	<b>257</b>	<b>19%</b>	<b>217</b>	<b>11%</b>	<b>40</b>	<b>18%</b>
Other income	64	5%	64	3%	0	0%
Selling and administrative expenses	(329)	(24%)	(410)	(21%)	81	20%
<b>Profit (Loss) from Operations</b>	<b>(8)</b>	<b>(1%)</b>	<b>(129)</b>	<b>(7%)</b>	<b>121</b>	<b>94%</b>
Profit in associated companies on equity method	69	5%	73	4%	(4)	(5%)
Expected Credit Loss	(25)	(2%)	(15)	(1%)	(10)	(67%)
Financial costs	(6)	(0%)	(7)	(0%)	1	14%
<b>Profit (Loss) before Income Tax</b>	<b>30</b>	<b>(2%)</b>	<b>(78)</b>	<b>(4%)</b>	<b>108</b>	<b>138%</b>
Income (Expenses) tax	(3)	(0%)	(18)	(1%)	15	83%
Equity in non – controlling interests in subsidiaries	(5)	(0%)	(3)	(0%)	(2)	(67%)
<b>Net Profit (Loss) attributable to the Company</b>	<b>22</b>	<b>1.59%</b>	<b>(99)</b>	<b>(5.06%)</b>	<b>121</b>	<b>122%</b>
<b>Net Profit (Loss) per share attributable to the Company (Baht)</b>	<b>0.037</b>		<b>(0.167)</b>		<b>0.203</b>	<b>122%</b>

## **1.1 Analysis of overall Operating Results**

For the fiscal year ended December 31, 2025, the consolidated financial statements of the Company presented total revenues amounting to 1,388 million baht, decreased by 567 million baht or decreased 29 percent from the same quarter of previous year. Such mainly change resulted from the decrease in domestic construction services, furniture group and renewable energy business group. Although, the income of flood protection wall and “LUCKY” Hi-tech Building System group has increased, this year the Company still has the action plan of human resources development in marketing and production, as well as increasing new products to response the customer’s requirements to enable sales volume increase, including to expand investment in renewable energy business in order to generate stable income in the future.

### **Total Revenues**

For the fiscal year ended December 31, 2025, the consolidated financial statements of the Company’s presented total revenues amounting to 1,388 million baht, decreased by 567 million baht or decreased 29 percent. This was mainly resulted from the decrease in domestic construction services, furniture group and renewable energy business group. Total revenues in this year consisted of following income:

- Revenues from domestic sales of furniture, “LUCKY” Hi-tech Building System group and flood protection wall totaling 1,248 million baht, decreased by 186 million baht or decreased 13 percent from the previous year.

- Revenues from renewable energy business group totaling in this year 140 million baht, decreased by 21 million baht or decreased 13 percent from previous year.

- Revenues from domestic construction services of this year not income, because all projects are completed and revenue is recognized in 2024. However, the company was exempted from penalties for late delivery of completed projects in the amount of 21 million baht.

### **Other Income**

The consolidated financial statements of the Company for the 1-year period ending at December 31, 2025 presented other income of 64 million baht this year, the same amount as the previous year. Other income in this year were mainly from dividends, rents and other services.

## **Cost of Sales and Expenses**

- The consolidated financial statements of the Company presented total cost of sales for the 1-year period ending at December 31, 2025 amounting to 1,131 million baht, decreased by 607 million baht or decreased 35 percent from the previous year. This was the result of a decrease in revenue from domestic construction services and furniture group. For the ratio of total cost of sales to total revenue for the year 2025 and the year 2024 was 81 percent and 89 percent, respectively.

- The consolidated financial statements of the Company presented selling and administrative expenses for 1-year period ending December 31, 2025 amounting to 329 million baht, decreased by 81 million baht or decreased 20 percent from the previous year. This was mostly resulted due to administrative expenses and, where this year, the group of companies did not record impairment losses on non-performing assets. For the ratio of selling and administrative expenses to total revenues for the year 2025 and the year 2024 was 24 percent and 21 percent, respectively.

- The consolidated financial statements of the Company presented expected credit loss arising from impairment in accordance with TFRS 9 for the 1-year period ending at December 31, 2025 increased by 10 million baht or increased 67 percent from the previous year. This is mostly due to the default of the debtor at the end of the year.

- The consolidated financial statements of the Company presented financial cost for the 1-year period ending at December 31, 2025 amounting to 6 million baht, decreased by 1 million baht from the previous year. This was mainly resulted from the interest expenses of loans from domestic financial institutions for operating in renewable energy business group and domestic construction services.

## **Gross Profit**

- The consolidated financial statements of the Company for the 1-year period ending at December 31, 2025 presented gross profit amounting to 257 million baht, increased by 40 million baht or increased 18 percent from the previous year. The gross profit ratio for the 1-year period ending at December 31, 2025 and year 2024 was 19 percent and 11 percent, respectively.

## **Profit in associated companies on equity method**

- The consolidated financial statements of the Company of the profit in associated on equity method for the 1-year period ending at December 31, 2025 presented profit amounting to 69 million baht, decreased by 4 million baht or decreased 5 percent from the previous year that caused by 2 associated companies which has the turnover as the net profit after deducting dividends decreased.

### **Income (Expenses) tax**

- The consolidated financial statements of the Company presented tax expenses for the 1-year period ending at December 31, 2025 amounting to 3 million baht, decreased by 15 million baht or decreased 83 percent from the previous year. Because of last year the company write-off of income tax assets that the company expects to be unusable in the future.

### **Net Profit (Loss)**

- The consolidated financial statements of the Company for the 1-year period ending at December 31, 2025 presented net profit amounting to 22 million baht, and net loss amounting to 99 million baht for the year 2024, net profit increased by 121 million baht or 122 percent from previous year. For the net profit ratio of the year 2025 was 1.59 percent and the net loss ratio of the year 2024 was 5.06 percent.

## 2. Financial positions

Statements of Financial positions as of December 31, 2025 and December 31, 2024

Consolidated financial statement	December 31, 2025		December 31, 2024		Change	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Assets</b>						
Cash and cash equivalents	508	15%	412	12%	96	23%
Trade accounts receivable - net	86	3%	261	8%	(175)	(67%)
Inventories – net	252	7%	222	6%	30	14%
Other current assets	109	3%	111	3%	(2)	(2%)
<b>Total Current Assets</b>	<b>955</b>	<b>28%</b>	<b>1,006</b>	<b>29%</b>	<b>(51)</b>	<b>(5%)</b>
Investments	1,175	34%	1,120	32%	55	5%
Property, plant and equipment - net	1,218	35%	1,286	36%	(68)	(5%)
Other non - current assets	97	3%	116	3%	(19)	(16%)
Total Non - Current Assets	2,490	72%	2,522	71%	(32)	(1%)
<b>Total Assets</b>	<b>3,445</b>	<b>100%</b>	<b>3,528</b>	<b>100%</b>	<b>(83)</b>	<b>(2%)</b>
<b>Liabilities and Shareholders' Equity</b>						
Short-term loans from financial institutions	50	2%	50	2%	0	0%
Trade accounts payable	221	6%	307	9%	(86)	(28%)
Long-term loans from financial institutions; due within 1 year	12	0%	13	0%	(1)	(8%)
Short-term loans from related company	119	4%	129	4%	(10)	(8%)
Other current liabilities	112	3%	120	3%	(8)	(7%)
<b>Total Current Liabilities</b>	<b>514</b>	<b>15%</b>	<b>619</b>	<b>18%</b>	<b>(105)</b>	<b>(17%)</b>
Employee benefits obligation	53	1%	44	1%	9	20%
Other non - current liabilities	133	4%	142	4%	(9)	(6%)
Total Non - Current Liabilities	186	5%	186	5%	0	0%
Total Liabilities	700	20%	805	23%	(105)	(13%)
Shareholders' equity to the Company's	2,527	74%	2,503	71%	24	1%
Shareholders' equity non-controlling interests' equity	218	6%	220	6%	(2)	(1%)
Total Shareholders' equity	2,745	80%	2,723	77%	22	1%
<b>Total Liabilities and Shareholders' Equity</b>	<b>3,445</b>	<b>100%</b>	<b>3,528</b>	<b>100%</b>	<b>(83)</b>	<b>(2%)</b>

## **2.1 Analysis of the financial position of the Company and its subsidiaries as at December 31, 2025 and December 31, 2024**

### **Total Assets**

As at December 31, 2025, the consolidated financial statements of the Company presented total assets amounting to 3,445 million baht, decreased by 83 million baht from the end of December 31, 2024. This was mainly decreasing from the net inventories and net property, plant and equipment.

The structure of Total assets presented in the consolidated financial statements of the Company as at the end of this year consisted of cash and cash equivalents 15 percent, net trade accounts receivable 3 percent, net inventories 7 percent and other current assets 3 percent, investments in associated companies and other companies 34 percent, Property, plant and equipment 35 percent and other non-current assets 3 percent. Whereby the structure of total assets at the end of previous year consisted of cash and cash equivalents 12 percent, net trade accounts receivable 8 percent, net inventories 6 percent and other current assets 3 percent, investments in associated companies and other companies 32 percent, property, plant and equipment 36 percent and other non-current assets 3 percent.

- Cash and cash equivalents at the end of the year 2025 was 508 million baht, increased from the end of previous year by 96 million baht, as follow:

Cash from operating activities was 79 million baht. This mostly from debt repayment of general trade receivables and construction services trade receivables.

Cash received from investing activities was 56 million baht. This mostly received from dividends.

Cash used for financing activities was 24 million baht. This mostly spent for debt repayment under lease contracts and short-term loan from related companies.

- Net trade accounts receivable at the end of year 2025 was 86 million baht, decreased from the end of previous year of 175 million baht. This decrease is due to the collection of debt payments from construction contractors. The balance of trade accounts receivable at the end of year 2025 of which separated as 82 percent of such accounts receivable was not yet due, 17 percent of accounts receivable was overdue less than 3 months and 1 percent of accounts receivable was overdue more than 3 months. However, the Company and its subsidiaries have monitored closely for the debts collection. The company will consider the possibility of receiving the payment of debt. In addition, in the case of some debtors being in the process of collection, the Company will provide the appropriate proceed to record the allowance for doubtful accounts. At the end of this year, balance of allowance for doubtful account was 42 million baht. Receivable

turnover rate at the end of year 2025 was 7.98 times and at the end of previous year was 8.32 times. Average debt collection at the end of year 2025 and the end of year 2024 was 46 days and 44 days, respectively which the turnover rate of accounts receivable decreased and the average collection period increased because at this year total revenues decreased.

- Inventories balance at the end of year 2025 was 252 million baht, increased by 30 million baht or increased 14 percent from the end of previous year. Mostly increased from renewable energy business group. The inventory turnover rate at the end of the year 2025 was 4.77 times, and was 6.43 times at the end of previous year.

- Other current assets as of the end of the year 2025 was 109 million baht, decreased by 2 million baht or decreased 2 percent from previous year. This decrease was mainly resulted from the other current receivables-general company and advance payment for the purchase of goods.

- Investments at the end of year 2025 were 1,175 million baht, increased by 55 million baht or increased 5 percent from the end of previous year. This was resulted from recognition of increasing in profit on equity method from associated companies.

- Property, plant and equipment – net as at the end of the year 2025 was 1,218 million baht, decreased by 68 million baht or decreased 5 percent from the end of previous year. Mostly assets were property, plant and equipment in furniture business and from investment in renewable energy business in the form of buildings and machines which is reduced from depreciation.

- Other non-current assets at the end of year 2025 were 97 million baht, decreased by 19 million baht or increased 16 percent from the end of previous year. This was resulted from accrued retention money and Right-of-use assets from long-term leases.

### **Total liabilities**

As at the end of this year, the consolidated financial statements of the Company presented total liabilities of 700 million baht, decreased by 105 million baht or decreased 13 percent from the previous year. Mostly decreased from trade accounts payable and short-term loans from related companies.

- As at the end of this year, short-term loan from financial institutions was 50 million baht. Mostly are the promissory note of the subsidiary company for the operation.

- As at the end of this year, account payable was 221 million baht, decreased by 86 million baht or decreased 28 percent from previous year. This mostly caused by decreasing from payment to account payables.

- As at the end of this year, short-term loan from related companies was 119 million baht, decreased by 10 million baht from previous year. Mostly are loans of companies in the renewable energy business group which is an indirect subsidiary of the company, loans from related companies to spend in the business.

- As at the end of this year, other non-current liabilities were 112 million baht decreased by 8 million baht or decreased 7 percent from previous year. This was mainly resulted from the other current accounts payable-general companies arising from goods deposits.

- As at the end of this year, liabilities under employee benefit obligations were 53 million baht increased by 9 million baht or increased 20 percent from previous year, because this year the subsidiary adjust the assumptions used to calculate employee benefits have updated to consistent with the current situation.

### **Shareholders' equity**

As at the end of this year, the consolidated financial statements of the Company presented the shareholders' equity of 2,745 million baht, as at the end of previous year was 2,723 million baht, increased by 22 million baht from previous year. This caused by the turnover of group of companies has the net profit.

Book value as at the end of this year was 4.63 baht per share, the end of previous year 4.59 baht per share, increased by 0.04 baht per share from previous year.

## 2.2 Liquidity and significant financial ratios

Statements of Cash flows for the 12-month period ended December 31, 2025

<b>Consolidated financial statements</b>	<b>Unit : Million Baht</b>
Net cash from (used for) operating activities	79
Net cash from (used for) investing activities	43
Net cash from (used for) in financing activities	(26)
<b>Increase (Decrease) in cash and cash equivalents - net</b>	<b>96</b>
Cash and cash equivalents at beginning of period	<b>412</b>
<b>Cash and cash equivalents at end of period</b>	<b>508</b>

Liquidity of the consolidated financial statement of the Company as at the end of this year, the Company held cash amounting to 508 million baht, 412 million baht at the end of previous year. Cash flow increased by 96 million baht, this was related to:

- Cash flow from operating activities was 79 million baht. This mostly from debt repayment of general trade receivables 43 million baht and construction services trade receivables 105 million baht.
- Cash flow received from investing activities was 43 million baht. This mostly received from dividend amounting to 58 million baht.
- Cash flow spent with financing activities 26 million baht. This mostly spent for debt repayment under lease contracts 14 million baht and short-term loan from related companies 14 million baht.

The current ratio was increased from 1.63 times as at the end of previous year to 1.86 times as at the end of this year. The quick ratio was increased from 1.09 times as at the end of previous year to 1.16 times as at the end of this year. However, both ratios represented positive favorable liquidity of the Company and its subsidiaries.

In consideration of the ability for the debt repayment as at the end of this year and the end of previous year, the Company and its subsidiaries still maintained good ability for debt payment. Considering from the debt to the ratio, Showing 0.30 times at the end of previous year and 0.26 times at the end of this year.

### **3. Significant factors that may affect the future of finance position or future operation**

#### **The stability of domestic politics**

If there are changes in domestic politics, this may cause government spending to stimulate the economy to be uncertain. It affects the industrial factor and company orders.

#### **Foreign market**

The International market is recovering due to the situation of the Covid-19 began to unfold in many countries, which may lead to more purchase orders for the Company.

#### **Raw material pricing**

Steel is core raw material for production. If steel price is fluctuated, it may affects the orders and production costs.

#### **Foreign Exchange Rate**

If the Baht is strengthened against foreign currency continuously, this may affect the Company's sales in Baht value. In addition, the Company may lose ability in its competitiveness compared to competitors and may get loss from exchange rates.

Please be informed,

Yours sincerely,

( Mr. Surapol Kunanantakul )  
President  
Siam Steel International Public Company Limited